Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of:

Notice of Proposed Rulemaking (NPRM) Regarding the Universal Service Support Mechanism for Rural Healthcare.	) WC Docket No. 02-60))

Comments of the American Telemedicine Association on the Further Notice of Proposed Rulemaking

The American Telemedicine Association (ATA) is pleased to provide the following comments regarding the Further Notice of Proposed Rulemaking by the FCC regarding the Rural Healthcare Support Mechanism as contained within WC Docket No. 03-288.

Our comments respond to the questions posed by the Joint Board and contained in the Public Notice for comment and fall within four areas:

1) Definition of rural
2) Support to mobile rural health clinics for satellite services
3) Administrative matters
4) Other recommendations

Introduction

The American Telemedicine Association is a national non-profit association concerned with telemedicine and representing health providers, medical institutions and vendors involved in providing healthcare using telemedicine. For over ten years, ATA has promoted the deployment of telemedicine and represented the interests of those involved in its use. ATA supported the original legislative language in the 1996 Telecommunications reform Act that

established the Rural Healthcare Support mechanism and has worked with the FCC since then in its implementation. Many of ATA's members are participants, or potential participants in the program.

Telemedicine is quickly becoming an integral component in the delivery of health care regardless of geographic or socioeconomic status. However, a significant barrier to the deployment of telemedicine services to rural and isolated communities is the cost of telecommunications. Taking advantage of lowered technology costs and the establishment of the Internet, the growth of telemedicine over the next five to ten years will have a profound and revolutionary effect on the delivery of medical care throughout the world. New applications are making it practical for direct communications between patient and provider as well as physician and specialist. In this way, telemedicine brings medical services directly to the point of need. It can empower consumers into becoming a primary provider of their own health and wellness by bringing healthcare to the patient rather than the patient to the provider. By providing direct links between the general practitioner and major medical centers telemedicine can also be used for ongoing education of the physician. For rural America, the use of telemedicine is becoming critical to the ability of rural health institutions and health providers to remain viable. This is why the FCC must work diligently to make sure the rural health support mechanism functions at optimum efficiency and ensures that all eligible entities are able to take advantage of the program.

1) Definition of Rural

The American Telemedicine Association proposes a modification to the definition of "rural areas" for the rural health care universal service support mechanism. We believe that a change broadening the definition of rural will support the cost-effective provision of telemedicine services to many isolated underserved, rural health care communities throughout the nation that are not currently eligible under the existing program. Also, such a change would better meet the original intent of Congress in establishing this program.

The current definition used by the Rural Support Mechanism has three problems

A. The definition of "rural areas" presently utilized by the Universal Services Support Mechanism for Rural Healthcare has been a barrier for many isolated rural communities. One example is communities located in large counties that contain large metropolitan areas. Counties can be classified as MSA and still have remote, isolated populations within the county. As an example, San Bernardino County California is the largest county in the United States. It covers more than 20,000 square miles. Although this county is classified as an MSA, much of the county would meet the definition of frontier with a population of less than 5 people per square mile. Such areas face the same challenge in gaining access to cost effective telecommunication services as their counterparts in states like Montana and Wyoming. Another example is remote, rural communities that are located in rural counties on the extreme edge of metropolitan areas from receiving the benefits of the program.

B. ATA is also concerned that recent changes to the adopted definition of "rural areas" will adversely affect the eligibility of sites previously considered rural and further limited the effectiveness of the program. As defined by the Universal Service Order, for the purpose of the program, an areas is designated as rural if it is either 1) located in a non –metropolitan statistical areas (MSA, as defined by the Office of Management and Budget (OMB) or 2) is specifically identified in the Goldsmith Modification to the 1990 Census data published by the office of Rural Health Care Policy (ORHP). ORHP no longer utilizes the definition adopted by the Commission in 1997 and the Goldsmith Modification will no longer be applied to census data. OMB's June, 2003 designation of metro areas (based on the 2000 census) will adversely affect the eligibility of sites previously considered as rural. Using the current FCC rules for eligibility 28% of the counties previously classified as rural will not be considered metropolitan statistical areas and 12% of counties formerly classified as rural will be

considered metropolitan statistical areas by OMB classification. Unless the FCC chooses to adopt a newer definition of "rural", significantly fewer healthcare facilities will be eligible to receive discounts under the program.

C. Finally, the number and variety of definitions of rural used by the federal government creates an unnecessary and confusing element for potential rural applicants. The complexity of the current program application rules already provides a barrier to rural health providers.

With these concerns in mind, the American Telemedicine Association is recommending that the FCC consider adopting a definition of rural that is already being used and managed by another federal program. Specifically, we recommend the definition used by the USDA Rural Broadband Grant and Loan program as contained in the 2002 Farm Bill and as amended in the 2004 Omnibus Appropriation Bill. An *eligible rural community is defined as any area of the United State that is not contained in an incorporated city or town with a population in excess of 20,000 inhabitants*. We believe that the adoption of this definition will support the existing program and provide further benefits to healthcare providers not previously eligible.

In addition, we recommend that there be a provision to "grandfather" existing providers currently receiving benefits from the program under the new definition. In a rare instance that the new broader definition was restrictive to a program presently receiving benefits, it would be harmful to both the health provider and patients to eliminate support.

2) Support To Mobile Rural Health Clinics For Satellite Services

The American Telemedicine Association supports the use of satellite services for the provision of mobile rural health clinics. In areas where terrestrial service are not available satellite service should be supported but capped at the amount a provider would receive if it received functionally similar terrestrial based services. This cap would insure side spread ubiquitous distribution of Universal Support to all eligible providers.

3) Administrative Matters

Application Process

The American Telemedicine Association applauds USAC for its continuing efforts to ease the administrative burden of the application process. We recommend one additional improvement:

- To support the recertification process for multi year contract applications. If an entity has a multi year contract for telecommunication services, annual recertification for the life of that contract should be made available. This could be accomplished though an EZ form that documented that the service was still in place at the rate from the previous year.

Expanded outreach

- We applaud USAC's effort to educate rural healthcare providers regarding the Universal Service Support program. We encourage continued expansion of those effort and recommend inclusion of state and national healthcare associations which include but are not limited to: The American Hospital Association (AHA), State Office of Rural Health, State Hospital Associations and State Medical Associations.

4) Other Recommendations

When the Commission adopted new rules for the program on November 13, 2003 ATA was pleased with the Commission's decision to provide support for Internet access to rural healthcare providers. However, we believe that the imposed cap of twenty five percent of costs associated with such access creates, once again, an unnecessary burden on health providers, which may choose to not participate in the program when such small amounts of support and the accompanying burdens of documentation. We strongly urge the Commission to revisit this rule and provide for full reimbursement of such costs. This might be modified with a reasonable cap on the total amount of funds provided per applicant.

We applaud the Commission for its expanded definition of Internet access for rural healthcare. Having the ability to generate or alter content of information can provide a significant benefit for rural residents and is directly related to improved medical care. We urge both the Commission and administrators of the rural healthcare support mechanism to assist potential applicants by immediately clarifying the specific Internet costs that will be covered.

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